



United States Department of the Interior
NATIONAL PARK SERVICE
INTERMOUNTAIN REGION
12795 West Alameda Parkway
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Denver, Colorado 80225-0287



In Reply Refer to:
C38 (IMDE-ACM)
CC-GRCA###-07

AUG 15 2006

To: All Recipients of the Prospectus for Guided Colorado River Trips, Grand Canyon
National Park, CC-GRCA###-07

Enclosed is the National Park Service's amendment and answers to questions to the
Prospectus for Guided Colorado River Trips, Grand Canyon National Park,
CC-GRCA###-07.

Attachment A – Amendment to the Prospectus
Attachment B – Responses to Questions Submitted by Canyon Expeditions about Financial
Statements
Attachment C – Response to Question about Exhibit D. Insurance Requirements

If you have any questions, please contact Tom Williamson, Acting Chief of Concessions at
(303) 969-2582.

Sincerely,

Michael D. Snyder
Director
Intermountain Region

cc:
Superintendent, Grand Canyon National Park

Attachment A

Amendment to the Prospectus

Refer to the Draft Contract, Exhibit B. Operating Plan, Attachment 1. Commercial Operating Requirements, Section VII. B.2.a., page 19.

Replace the following:

"Client information includes: Full legal name, date of birth, home mailing address, and phone number."

With:

"Client information includes: Full legal name and date of birth."

Attachment B

Responses to Questions Submitted by Canyon Expeditions about Financial Statements

Questions:

As an existing Concessioner in Grand Canyon National Park with gross receipts under 1 million, our financial statements are reviewed, not audited, as a requirement of our Annual Financial Report for GCNPS.

Prospectus, Proposal Package, Principal Selection Factor 4, Subfactor 4(a). Financially Sound, page 13, reads:

“Demonstrate that you have a credible, proven track record of meeting your financial obligations by providing the following:

2. Financial Statements. Audited financial statements for the two most recent fiscal years, with all notes to the financial statements. Financial statements should be provided for the Offeror and all parent companies. Personal financial statements must be provided for any owners of a sole proprietorship or general partners within a partnership. If the requested information is not available or not representative of your financial history, present an explanation in sufficient detail to enable a reviewer to fully understand the reasons why, and provide comparable evidence, accompanied by a description, of your financial track record.”

Please provide information clarifying how the Services views reviewed financial statements vs. audited financial statements:

- Will the Service consider a response that provides reviewed financial statements to be responsive for Concessioners with gross revenue under 1 million?
- Will the Service consider reviewed financial statements to be less responsive than audited financial statements?

Responses and changes to the Prospectus:

In the Draft Contract, Section 7. Records and Reports, (b) Annual Financial Report the financial reporting requirement of the Concessioner Annual Financial Report is an accounting review of annual gross receipts from \$500,000 to \$1,000,000. The audit level is \$1,000,000 and above of annual gross receipts. (The definition of gross receipts is contained in the Draft Contract.)

The National Park Service will consider a response that provides reviewed financial statements for a concession contract with annual gross receipts under \$1 million.

The National Park Service will not consider reviewed financial statements to be less responsive than audited financial statements for concession contracts with annual gross receipts under \$1 million.

According to 2005 Annual Financial Reports the following concession contracts have annual gross receipts under \$1 million and may provide reviewed financial statements in lieu of audited financial statements: CC-GRCA-011, CC-GRCA-016, CC-GRCA-020, CC-GRCA-028, and CC-GRCA-029.

The Proposal Package, Principal Selection Factor 4, Subfactor 4(a). Financially Sound, page 13, reads:

"2. Financial Statements. Audited financial statements for the two most recent fiscal years, with all notes to the financial statements."

Change the sentence to read:

"2. Financial Statements. Audited **or reviewed** financial statements for the two most recent fiscal years, with all notes to the financial statements. (According to 2005 Annual Financial Reports the following concession contracts have gross receipts less than \$1 million and can provide reviewed financial statements: CC-GRCA-011, CC-GRCA-016, CC-GRCA-020, CC-GRCA-028, and CC-GRCA-029.

In the Draft Contract, Section 7. Records and Reports, (b) Annual Financial Report the financial reporting requirement of the Concessioner Annual Financial Report is an accounting review from \$500,000 to \$1,000,000 of annual gross receipts. The audit level is \$1,000,000 and above of annual gross receipts.)"

The Proposal Package, Principal Selection Factor 4, Subfactor 4(c), page 15, reads:

"Subfactor 4(c). Availability of Funds to Acquire and Operate the Concession.

1. Funds from Operating Cash Flows. If funds are to be obtained from operating cash flows, document each source and availability of these funds by referencing your previous and current audited financial statements."

Change the sentence by adding "or reviewed" to read:

"1. Funds from Operating Cash Flows. If funds are to be obtained from operating cash flows, document each source and availability of these funds by referencing your previous and current audited **or reviewed** financial statements."

The Proposal Instructions, Section 10), Cautions to Offerors about Submission and Evaluation of Proposals, g) on page 5 reads:

"g) If you propose to make any financial commitments and considerations in response to any selection factor, your proposal will be closely reviewed and analyzed against your financial statements and supporting documents with appropriate review of feasibility. Such documents reviewed and analyzed will include but not be limited to the Business Organization, Business Credit Information, pro forma income statements, audited financial statements, and balance sheets contained in your proposal."

Change the last sentence by adding "or reviewed" to read:

"Such documents reviewed and analyzed will include but not be limited to the Business Organization, Business Credit Information, pro forma income statements, audited **or reviewed** financial statements, and balance sheets contained in your proposal."

Attachment C

Response to Question about Exhibit D. Insurance Requirements

Question:

The insurance coverages list passenger numbers (up to 5 passengers, 6 to 21 passengers, 22 or more passengers). Is the passenger numbers per trip or per boat?

Response and changes to the Prospectus:

The liability insurance is for the passenger numbers per boat.

The Draft Contract, Exhibit D. Insurance Requirements, II. Liability Insurance, A. Commercial General Liability, on page 2, reads.

"II. LIABILITY INSURANCE

A. Commercial General Liability

1. Coverage will be provided for bodily injury, property damage, personal or advertising injury liability (and must include Contractual Liability and Products/Completed Operations Liability).

Bodily Injury and Property Damage Limit:

| | |
|------------------------|---|
| Up to 5 passengers: | \$1,000,000 per occurrence \$1,000,000 general aggregate |
| 6 to 21 passengers: | \$2,000,000 per occurrence \$2,000,000 general aggregate |
| 22 or more passengers: | \$5,000,000 per occurrence \$10,000,000 general aggregate" |

Change the subsection to read:

"II. LIABILITY INSURANCE

A. Commercial General Liability

1. Coverage will be provided for bodily injury, property damage, personal or advertising injury liability (and must include Contractual Liability and Products/Completed Operations Liability).

Bodily Injury and Property Damage Limit:

| | |
|---------------------------------|---|
| Up to 5 passengers per boat: | \$1,000,000 per occurrence \$1,000,000 general aggregate |
| 6 to 21 passengers per boat: | \$2,000,000 per occurrence \$2,000,000 general aggregate |
| 22 or more passengers per boat: | \$5,000,000 per occurrence \$10,000,000 general aggregate" |